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UNITED STATES DEPARTMENT OF AGRICULTURE
PRODUCTION AND MARKETING ADMINISTRATION
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I N S E R T S
for
SUMMARIES
of
FLUID MILK MARKETING ORDERS
Revised to July 1, 1949

and
Federal Register Citations
for the Milk Price Orders

The attached are inserts to be substituted for the corresponding pages in the Summaries of Fluid Milk Marketing Orders, April 1, 1948, and Federal Register Citations for the Milk Price Orders. These inserts revise the Federal orders as effective on July 1, 1949. The last insert was issued on ~~June 1~~, 1949.

FEDERAL MILK ORDER NO. 12

Dubuque, Iowa

Marketing Area:

City of Dubuque, township of Dubuque, and part of the townships of Table Mound and Mosalem in Dubuque County.

Handler:

Person with respect to his operation of a plant from which milk is disposed of as Class I milk in the marketing area and a co-operative association with respect to milk which it diverts from a handler's plant to another plant from which no Class I milk is disposed of in the marketing area.

Producer:

Person who produces milk in conformity with the requirements of the City of Dubuque which milk is received at the plant of a handler or is caused by a cooperative association to be diverted from such a plant.

Classification:

Class I - Fluid milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream, or any mixture of cream and milk or skim milk containing more than 6.0 per cent butterfat (except ice cream) and unaccounted for skim milk and butterfat.

Class II - Evaporated and condensed milk, ice cream, ice cream mix, cottage cheese, and products not specified in Class I or Class III.

Class III - Butter, "Cheddar" cheese, animal feed, casein, nonfat dry milk solids, and shrinkage not in excess of 2 per cent of receipts from producers and shrinkage in "other source" milk.

Class Prices (3.5 per cent butterfat):

A basic formula price is used for both Class I and Class II prices. The basic formula price is the higher of:

- (1) Average of prices paid for 3.5 per cent milk from the 16th day of the previous month to the 15th day of the current month at the following plants:

Amboy Milk Products Co.;	Amboy, Illinois
United Milk Products Co.,	Argo Fay, Illinois
Borden Company,	Dixon, Illinois
Carnation Milk Co.,	Morrison, Illinois
Carnation Milk Co.,	Oregon, Illinois
Dean Milk Co.,	Pearl City, Illinois
Dean Milk Co.,	Pecatonica, Illinois
Borden Company,	Sterling, Illinois
Pet Milk Co.,	Shullsburg, Wisconsin

- (2) Price per pound of Chicago 92-score butter times 6, plus 2.4 times the price per pound of Plymouth "Cheddars," divide by 7 and multiply by 1.3, and multiply by 3.5.

Class I - Basic formula price for the preceding delivery period: plus 80 cents for the months of January, February, and March; plus 60 cents for the months of April, May, and June; and plus \$1.05 during all other months.

Class II - Basic formula price.

Class III - The higher of:

- (1) Price per pound of "Cheddars" at Plymouth, Wisconsin, times 6.4, or
- (2) 92-score butter at Chicago times 4.2.

Butterfat Differentials:

Class Prices -

Class I - 92-score butter at Chicago times 0.14.

Class II - 92-score butter at Chicago times 0.12.

Class III - Same as Class II.

Producer Price - Same as Class II.

Location Differentials:

None.

Method of Accounting for Milk:

Skim milk and butterfat are accounted for separately in each class on the basis of the respective volumes of each. If a handler accounts for more milk disposed of than he accounts for as received, the difference is subtracted from the lowest price class. This amount is termed "overrun" and the handler pays into the producer settlement fund on such overrun the price applicable to the class from which it was subtracted.

Type of Pool:

Market-wide, monthly pool, without base rating plan.

Interhandler Transfers:

Milk moved from one handler's plant to the plant of another handler is Class I and cream so moved is Class II. Handlers are permitted to classify differently by submitting written agreement to market administrator.

Outside Purchases:

"Other source" milk is subtracted in series beginning with the lowest price class.

Outside Sales:

Milk moving as fluid milk from any handler's plant to a plant of a nonhandler who distributes fluid milk is classified as Class I milk and any cream moving as fluid cream to a plant of such nonhandler is classified as Class II milk. Milk or cream moving from a handler's plant to a plant of a nonhandler who does not distribute fluid milk or cream is classified as Class III milk.

Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 4 cents per hundredweight.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations.

A marketing service charge not to exceed 5 cents is deducted for non-members.

Special Handler Provisions:

Overdue accounts of handlers or of the market administrator accrue interest at the rate of $1/2$ of 1 per cent per month.

Handlers who dispose of a greater proportion of their milk as Class I milk in another marketing area regulated by a Federal order or agreement are not subject to this order except that such a handler must make reports to the market administrator and if the price which such handler is required to pay under the other Federal order for Class I milk is less than the price provided for by this order, the handler pays into the producer settlement fund on Class I milk disposed of in the other marketing area, an amount equal to the difference between the value of the Class I milk under this order and the value of the Class I milk under the other order.

classification is based on the form held at, or moved from, the plant to which it is shipped (without limit on the number of interplant movements which may take place in these forms prior to classification), subject to special conditions specified in the order.

Class I-A - Milk, fluid milk products, and cultured or flavored milk drinks containing 3.0 per cent to 5.0 per cent of butterfat (except those classified in I-B or I-C) and all milk the classification of which is not otherwise established.

Class I-B - All Class I-A products delivered to a plant or purchaser in an area regulated by another Federal order.

Class I-C - All Class I-A products which are delivered to a plant or purchaser in an area not under Federal regulation.

Class II - Cream, sweet or sour, fluid cream products, and cultured or flavored milk drinks containing less than 3.0 per cent or more than 5.0 per cent of butterfat sold in the marketing area, except products classified in another class.

Class III - All other products not specifically mentioned in some other class.

Class Prices (3.5 per cent butterfat):

Class I-A - Related to a butter-powder value computed as follows: Price per pound of New York 92-score butter, plus 1.8 times the average price per pound of nonfat dry milk solids (other brands, carlots, bags or barrels, human consumption and animal feed) minus 4 cents. When the butter-powder value is under 30 cents, the Class I-A price is \$1.72 for April through June and \$2.16 for July through March. For each 5-cent increase in the butter-powder value, the Class I-A price increases by 22 cents per hundredweight.

The price for any of the months of March through June of each year can be no higher than for the immediately preceding month, and the price for any of the months of September through December of each year can be no lower than for the immediately preceding month.

For the months of July through December 1949, ^{1/} the price shall be the 201-210 mile zone price under the Boston order, for Class I milk of 3.7 per cent butterfat, minus 19 cents.

^{1/} By suspension order dated June 21, 1949.

FEDERAL MILK ORDER NO. 35

Omaha-Council Bluffs (Nebraska and Iowa)

Marketing Area:

Nebraska - Omaha and parts of Douglas and Sarpy Counties.

Iowa - Council Bluffs and parts of Pottawattamie County.

Handler:

Person who operates a plant where milk is processed and packaged and from which skim milk and butterfat are disposed of as Class I milk within the marketing area.

Producer:

Person who, in accordance with health requirements, produces milk which is received at a plant where milk is processed and packaged and from which skim milk and butterfat are disposed of as Class I milk within the marketing area.

Classification:

Class I - Milk, skim milk, buttermilk, flavored milk drinks, and milk not accounted for in Class II or Class III.

Class II - Cream (sweet or sour), any mixture of butterfat and skim milk of more than 6.0 per cent butterfat for consumption in fluid form, and eggnog.

Class III - Milk products not specified in other classes, milk used for animal feed, and shrinkage not exceeding 5 per cent of receipts of skim milk and 2 per cent of receipts of butterfat (exclusive of skim milk and butterfat received from other handlers which are not cooperative associations).

Class Prices (butterfat and skim milk priced separately):

A basic formula price is used for both Class I and Class II prices. The basic formula price is the higher of:

- (1) Average of prices paid for 3.5 per cent milk for the preceding delivery period at the following plants, divided by 3.5, times 3.8:

Amboy Milk Products Company,	Amboy, Illinois
Borden Company,	Dixon, Illinois
Borden Company,	Sterling, Illinois

Carnation Milk Company,	Morrison, Illinois
Carnation Milk Company,	Northfield, Minnesota
Carnation Milk Company,	Oregon, Illinois
Carnation Milk Company,	Waverly, Iowa
Dean Milk Company,	Pearl City, Illinois
Dean Milk Company,	Pecatonica, Illinois
Fort Dodge Creamery Company,	Fort Dodge, Iowa
Pet Milk Company,	Shullsburg, Wisconsin
United Milk Products Company,	Argo Fay, Illinois

- (2) The price for Class III milk of 3.8 per cent butterfat for the preceding delivery period.

Class I - The price for 3.8 per cent Class I milk is the basic formula price: plus 75 cents during the months of April, May, June, and July; and plus \$1.15 during all other months of the year.

The price per hundredweight of butterfat is the price per hundredweight for Class III butterfat: plus \$15.00 during April, May, June, and July; and plus \$23.00 during all other months of the year.

The price per hundredweight for skim milk is computed by multiplying by 0.038 the price per hundredweight for Class I butterfat and subtracting this from the Class I price for milk of 3.8 per cent and dividing the result by 0.962.

Class II - Prices for milk, butterfat, and skim milk are the same as for Class I.

Class III - The price per hundredweight of milk containing 3.8 per cent butterfat is 0.038 times the value of (1) plus the value of (2) shown below:

- (1) The price per hundredweight of butterfat is computed by multiplying by 1.25 the price of 92-score butter at Chicago, subtracting 5 cents, and multiplying the result by 100.
- (2) The price per hundredweight of skim milk is computed by adding to 21 cents, 3 cents for each full 1/2 cent that the price of nonfat dry milk solids for human consumption, spray and roller process, carlots at Chicago, is above 7 cents per pound and dividing the resulting sum by 0.962. (If the above nonfat dry milk solids price is not quoted, use nonfat dry milk solids, human consumption, carlot prices, f.o.b. manufacturing plants in the Chicago area and add 3 cents to such price for each 1/2 cent that such price is above 6 cents per pound.)

Butterfat Differentials:

Class Prices - None. Butterfat and skim milk are priced separately.

Producer Price - Price per pound of Chicago 92-score butter times 0.12.

Location Differentials:

None.

Method of Accounting for Milk:

Weight of butterfat and skim milk utilized in the products of each class.

Type of Pool:

Market-wide, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Skim milk and butterfat moved in the form of milk or skim milk by a handler other than a cooperative association to another handler who receives milk from producers or associations of producers shall be Class I. If moved between such handlers in the form of cream, it shall be Class II. May be classified otherwise if a statement as to actual utilization is furnished by the buyer.

Skim milk and butterfat moved in the form of milk or skim milk to a producer-handler shall be Class I. If moved in the form of cream it shall be Class II.

Outside Purchases:

"Emergency milk" is apportioned on a pro rata basis by classes in accordance with the receiving handler's total utilization of milk. "Emergency milk" is milk which is received by a handler from other than producers during a delivery period in which the market administrator determines that the supply of skim milk or butterfat available to a handler is insufficient for his disposition of Class I and Class II milk. The quantity of "emergency milk" is limited to the difference between the amount of milk received from producers and 115 per cent of the handler's disposition of Class I and Class II milk. In determining the amount of "emergency milk" utilization, Grade A milk is computed separately from non Grade A milk.

Skim milk and butterfat received from other than producer sources which is not "emergency milk" shall be classified in the receiving handler's lowest class use.

- (1) Average of prices paid for 3.5 per cent milk at 18 specified plants (see list used for basic formula price in Chicago order), plus an amount computed as follows: Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, times 0.5.
- (2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the average price per pound of "Twins" at Plymouth, Wisconsin (or "Cheddars"), divided by 7, times 1.3, times 4.
- (3) Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, times 4, plus an amount computed as follows: Price per pound of nonfat dry milk solids (carlots, human consumption, spray and roller process, f.o.b. manufacturing plants in Chicago area), minus 4 cents, times 8.5, times .96.

Class I - The prices per hundredweight of butterfat and skim milk in Class I are computed as follows (f.o.b. 61-70 mile zone):

- (1) Basic formula price plus \$1.25 (March through September), basic formula price plus \$1.50 (October through February), provided that from April 1 through August 31, 1949, the price for Class I milk shall be \$5.56 per hundredweight.
- (2) The price of butterfat is the sum obtained in (1), multiplied by 17.5.
- (3) The price of skim milk is the sum obtained in (1), minus .04 times the price of butterfat pursuant to (2), divided by .96.

Class II - The prices per hundredweight of butterfat and skim milk in Class II are computed as follows:

For Skim Milk - Carlot, spray and roller process, nonfat dry milk solids (excluding that designated as animal feed) f.o.b. manufacturing plants, Chicago area, multiplied by 8.5.

For Butterfat - Chicago 92-score butter minus 3 cents, times 120.

Class Prices (4.0 per cent butterfat):

Class I - \$5.56 (\$5.11 for months of April, May, and June). An upward adjustment of 40 cents is provided when the price per pound of New York 92-score butter is 82 cents or more, and a downward adjustment of 40 cents is provided when the price of such butter is 67 cents or less.

The price is \$5.50 per hundredweight for each of the months of July, August, and September 1949. ^{1/}

Class II - Sum of butterfat and skim values.

Butterfat value is computed as follows: Average of specified quotations per 40-quart can of 40 per cent cream in the Philadelphia market, divided by 33.48, times 4, minus 26.5 cents.

The butterfat value of milk used to make butter during all months and cheese (other than cottage cheese), evaporated milk and milk chocolate in April, May, and June is computed as follows: Price per pound of New York 92-score butter, times 1.2, times 4. This value shall not apply if it is more than the value of other Class II butterfat.

Skim milk value is computed as follows: Average price per pound of nonfat dry milk solids (roller process, quotations for "other brands" human consumption, in carlots, bags or barrels, as published in "Producers' Price Current") times 7.5, minus 49 cents in April, May and June, and minus 44 cents in other months.

Price for milk or skim milk used in evaporated milk, milk chocolate and cheese (other than cottage cheese) in April, May and June 1949, is 10 cents lower than the Class II skim milk price.

Premium for Grade A Milk - 40 cents if bacteria is below 10,000 per c.c.; 25 cents for 10,000 to 25,000. This premium is multiplied by the ratio of Grade A milk sold either in fluid form or as products manufactured from Grade A milk to the total quantity of Grade A milk received from producers. Two cents additional butterfat differential shall be paid for each one-tenth of one per cent in the butterfat test of such milk above 3.7 per cent.

^{1/} By suspension order dated June 28, 1949.

Class Prices (3.5 per cent butterfat):

Basic Formula Price - The higher of the Class III or Class IV price for the preceding month (provided that the basic formula price for July is not less than for June preceding, and that the basic formula price for December is not more than for November preceding). ^{1/}

Class I and Class II (Grade A) - The basic formula price plus the amount shown below:

<u>Delivery Periods</u>	<u>Class I</u>	<u>Class II</u>
May and June	\$0.50	\$0.30
August through November	.90	.50
All others	.70	.40

Class I and Class II (non Grade A) - Grade A prices for Class I and Class II milk respectively, minus 10 cents.

Class III - The highest of the prices resulting from the following:

(a) The average of prices paid for 3.5 per cent butterfat milk at 18 plants (see list under Chicago order).

(b) 92-score butter at Chicago multiplied by 6,
PLUS

Price per pound of "Twins" at Plymouth, Wisconsin, multiplied by 2.4 (provided that if the price of "Twins" is not quoted, then the price of "Cheddars")--
Divide the above sum by 7, add 30 per cent and multiply by 3.5.

(c) 92-score butter at Chicago, plus 20 per cent, times 3.5
PLUS

Carlott prices, spray and roller process, nonfat dry milk solids (not including that specifically designated animal feed) Chicago area manufacturing plants, minus 5 cents, multiplied by 7.5, provided that the "make" allowance for March, April, May, and June is 6 cents instead of 5 cents, and if the above nonfat dry milk solids prices are not quoted, then use such prices delivered at Chicago, and the "make" allowance is 6 cents, or for March, April, May, and June - 7 cents (approximate).

Class IV - The same as (c) under Class III.

^{1/} Suspended indefinitely effective November 15, 1948.

- (2) Price per pound of Chicago 92-score butter, times 6,
PLUS
2.4 times the average price per pound of "Twins" at
Plymouth, Wisconsin (or "Cheddars"), divided by 7;
Times 1.3, times 3.5.
- (3) Price per pound of Chicago 92-score butter, minus 3 cents,
times 1.2, times 3.5,
Plus an amount computed as follows: Price per pound of
nonfat dry milk solids (carlots, human consumption, spray
and roller process, f.o.b. manufacturing plants in Chicago
area), minus 5.5 cents, times 8.5, times .965.

Class I - The prices per hundredweight of butterfat and skim
milk in Class I (except that used for cream and cream mixtures)
are computed as follows:

- (1) Add to the basic formula price \$0.85 during May and June,
\$1.15 during September through February, and \$1.00 during
all other months, except that for January and February 1949,
the price shall not be less than \$4.80 per hundredweight
and for March 1949 not less than \$4.58. (For skim milk
and butterfat used for cream and cream mixtures in Class I,
use the above prices minus 15 cents.)
- (2) The price per hundredweight of butterfat is the sum
obtained in (1) above, multiplied by 20, except that the
price of butterfat used for sweet or sour cream or any
mixture of cream, milk or skim milk is not less than the
price for butterfat in Class II and the price of other
Class I items is not less than the price of butterfat in
Class II, plus \$3.00.
- (3) The price per hundredweight of skim milk is the sum
obtained in (1) above, minus .035 times the price of
butterfat pursuant to (2) above, divided by .965.

Class II - The prices per hundredweight of butterfat and skim
milk in Class II are computed as follows:

- (1) Add to the basic formula price 25 cents during May and
June, 55 cents during September through February, and
40 cents during all other months.
- (2) The price of butterfat is the sum obtained in (1) above,
multiplied by 20, but not less than Chicago 92-score
butter multiplied by 120.

ST. LOUIS - ORDER NO. 3

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
8 FR 17451	12/30/43	Order, as amended
12 FR 5833	8/30/47	Amendment No. 1
13 FR 6759	11/19/48	Amendment No. 2

BOSTON - ORDER NO. 4

12 FR 4921	7/28/47	Order, as amended
12 FR 6426	9/30/47	Order suspending certain provisions
12 FR 8667	12/20/47	" " " "
13 FR 1639	3/30/48	Amendment No. 6
13 FR 9293	12/31/48	Amendment No. 7

DUBUQUE - ORDER NO. 12

8 FR 1071	1/22/43	Order, as amended
8 FR 4537	4/9/43	Amendment No. 1
11 FR 6525	6/14/46	Order suspending certain provisions
11 FR 8277	8/1/46	" " " "
14 FR 3226	6/15/49	Amendment No. 2

KANSAS CITY - ORDER NO. 13

11 FR 14005	12/3/46	Order, as amended
12 FR 6426	9/25/47	Amendment No. 1
13 FR 7703	12/14/48	Amendment No. 2

NEW YORK - ORDER NO. 27

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
14 FR 1466	4/1/49	Order, as amended
14 FR 3443	6/24/49	Order suspending certain provisions

OMAHA - ORDER NO. 35

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
12 FR 2073	3/29/47	Order, as amended
13 FR 9487	12/31/48	Amendment No. 1
14 FR 3231	6/15/49	Amendment No. 2

CHICAGO - ORDER NO. 41

11 FR 9606	8/31/46	Order, as amended
12 FR 3073	5/10/47	Order suspending certain provisions
12 FR 5834	8/30/47	Amendment No. 3
12 FR 7248	11/5/47	Amendment No. 4
13 FR 5905	10/9/48	Order suspending certain provisions

NEW ORLEANS - ORDER NO. 42

13 FR 1079	2/28/48	Order, as amended
14 FR 1483	4/1/49	Amendment.

DULUTH-SUPERIOR - ORDER NO. 54

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
8 FR 9903	7/20/43	Order, as amended
11 FR 6527	6/14/46	Order suspending certain provisions
11 FR 12434	10/24/46	Amendment No. 4
14 FR 2133	4/30/49	Amendment No. 5

PHILADELPHIA - ORDER NO. 61

7 FR 2377	3/28/42	Order
8 FR 1431	2/3/43	Amendment No. 1
8 FR 4749	4/13/43	Amendment No. 2
9 FR 7493	7/5/44	Order suspending certain provisions
10 FR 11041	8/29/45	Amendment No. 3
11 FR 5902	6/1/46	Amendment No. 4
11 FR 7260	6/29/46	Order suspending certain provisions
11 FR 10257	9/14/46	Amendment No. 5
12 FR 93	1/7/47	Order suspending certain provisions
13 FR 4343	7/29/48	Amendment No. 6
13 FR 9294	12/31/48	Amendment No. 7
14 FR 1845	4/16/49	Amendment No. 8
14 FR 3613	7/1/49	Order suspending certain provisions

CINCINNATI - ORDER NO. 65

9 FR 825	1/22/44	Order, as amended
9 FR 9880	8/15/44	Amendment No. 1
10 FR 7607	6/26/45	Amendment No. 2
11 FR 7331	7/2/46	Amendment No. 3
11 FR 9670	9/4/46	Amendment No. 4
11 FR 14011	12/3/46	Amendment No. 5
12 FR 4931	7/25/47	Amendment No. 6
13 FR 1659	3/31/48	Order suspending certain provisions
13 FR 2329	4/30/48	Amendment No. 7
13 FR 7294	11/30/48	Amendment No. 8
14 FR 2783	5/27/49	Amendment No. 9

